

808 KAR 10:240. Registration exemptions - sale of business.

RELATES TO: KRS 292.410(1)(q)

STATUTORY AUTHORITY: KRS 292.410(1)(q), 292.500(3)

NECESSITY, FUNCTION, AND CONFORMITY: KRS 292.500(3) authorizes the commissioner to promulgate administrative regulations necessary to carry out the provisions of KRS Chapter 292. KRS 292.410(1)(q) authorizes the commissioner to exempt from KRS 292.330 to 292.390 a transaction for which the commissioner finds that registration is not necessary or appropriate in the public interest or for the protection of an investor. This administrative regulation establishes an exemption for a sale of a business that meets the specified requirements.

Section 1. Definition. "Legal entity" means a business organization of any type, such as a corporation, a partnership, a limited partnership, an association, or a limited liability company.

Section 2. Pursuant to KRS 292.410(1)(q), the offer or sale of 100 percent of the ownership interest in a legal entity shall be exempt from the requirements established in KRS 292.330 to 292.390 if:

- (1) 100 percent of the ownership interest in the legal entity is either offered or sold; and
- (2) The ownership interest is sold to one (1) individual or preexisting legal entity. (12 Ky.R. 1806; eff. 6-10-86; Am. 24 Ky.R. 2190; 25 Ky.R. 94; eff. 6-25-98; 37 Ky.R. 2492; 2842; eff. 7-1-11; Crt eff. 2-27-2020.)